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March 7, 2008

The Honorable Milton I. Shadur
Senior United States District Judge
Everett McKinley Dirksen
United States Courthouse
219 South Dearborn Street
Chicago, IL 60604

Re: *IDEX Corp. et al. v. Dripping Wet Water, Inc. et al.*, No. 08-C-1114

Your Honor:

As requested in the Court's Memorandum Order dated February 26, 2008, Plaintiffs submit the following explanation of why this action is being instituted in the Northern District of Illinois rather than in the Western District of Texas or the District of Connecticut.

As an initial matter, Plaintiffs have filed a motion to dismiss the Texas litigation based on, *inter alia*, a lack of personal jurisdiction. This motion is now fully briefed and awaiting decision. Because the Western District of Texas does not have personal jurisdiction over the Plaintiffs in this case, Plaintiffs are simply seeking resolution of this matter in a court that has jurisdiction over all of the parties. Plaintiffs believe, as alleged, that Defendants are all subject to personal jurisdiction in the Northern District of Illinois.

With respect to "why" this action has been brought in this judicial district as opposed to another court having jurisdiction, Plaintiffs respond that a significant nucleus of facts resides in this district. IDEX is headquartered in Northbrook, Illinois. The persons who negotiated the prior Settlement Agreement on behalf of Plaintiffs are located in Northbrook, Illinois. Furthermore, as set forth in paragraphs 13-14 of the Amended Complaint, this action indirectly concerns business formerly conducted by Halox/Eastern Plastics and now conducted by Nalco. Nalco has its principal place of business located in Naperville, Illinois. Moreover, upon information and belief, DWW and the Sampsons conduct business regularly with Nalco in

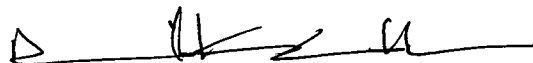
KIRKLAND & ELLIS LLP

The Honorable Milton I. Shadur
March 7, 2008
Page 2

Illinois, and have an ongoing business relationship by which DWW and the Sampsons have sold chlorine dioxide technology and consulting services to Nalco. (*Id.* at ¶ 16).¹

Contemporaneous with the filing of this letter, Plaintiffs have filed their First Amended Complaint in compliance with the Court's order. Barring a settlement, Plaintiffs look forward to the initial scheduling conference with the Court on April 11, 2008.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. Callahan', is written over a horizontal line.

David K. Callahan, P.C.

¹ As evidence of Nalco's indirect involvement with this lawsuit, the parties have agreed to a settlement meeting with the understanding that a representative of Nalco should and will be present at this meeting.